

FOREMOST INCOME FUND

**INSTRUMENT OF PROXY FOR THE SPECIAL MEETING
OF UNITHOLDERS TO BE HELD ON WEDNESDAY, DECEMBER 14, 2011**

The undersigned holder (the "**Unitholder**") of units ("**Units**") of Foremost Income Fund (the "**Fund**"), hereby appoints James T. Grenon, a Trustee of the Fund or, failing him, Pat Breen, President and Chief Executive Officer and a Director of Foremost Industries Ltd., the administrator of the Fund, or instead of either of the foregoing, _____, as proxyholder for the undersigned, with full power of substitution, to attend, act and vote for and on behalf of the undersigned at the special meeting (the "**Meeting**") of Unitholders of the Fund to be held on Wednesday, December 14th, 2011, and at any adjournment thereof, in the same manner, to the same extent and with the same powers as if the undersigned were present at the Meeting, or any adjournment thereof, with the authority to vote at the proxyholder's discretion except as otherwise specified below.

Without limiting the general powers hereby conferred, the undersigned hereby directs the proxyholder to vote the Units represented by this proxy in the following manner:

1. FOR or AGAINST a special resolution, the full text of which is set forth in Appendix "A" to the management information circular of the Fund dated November 15, 2011 (the "**Information Circular**") to approve amendments to Article VI of the deed of trust of the Fund (the "**Deed of Trust**"), and other consequential amendments to the Deed of Trust, all as more particularly described in the Information Circular.

This proxy is solicited by management of the Fund and the costs of same will be borne by the Fund. The Units represented by this form of proxy will be voted, if the Unitholder has given direction above, as directed, or, if no direction is given, FOR the above proposal. The undersigned hereby confers discretionary authority upon such proxyholder to vote, in accordance with his/her best judgment, with respect to amendments or variations to the matters outlined above and with respect to matters other than those listed in the notice of special meeting of Unitholders (the "Notice of Meeting") calling the Meeting and which may properly come before the Meeting or any adjournment thereof. At the date hereof, management of the Fund knows of no such amendment, variation or other matter. This form of proxy should be read in conjunction with the accompanying Notice of Meeting and Information Circular.

The undersigned hereby revokes any proxy previously given.

Dated this _____ day of _____, 2011.

Signature of Unitholder (Please sign exactly as Units are registered.)

Printed name

Number of Units owned

PLEASE SEE ADDITIONAL INSTRUCTIONS ON THE FOLLOWING PAGE.

NOTES:

1. **A Unitholder has the right to appoint a person, who need not be a Unitholder, to attend and act on his or her behalf at the Meeting other than the persons designated in this form of proxy. This right may be exercised by inserting such other person's name in the blank space provided for that purpose and striking out the other names or by completing another proper form of proxy and, in either case, by delivering the completed form of proxy to the Fund as indicated below.**
2. This form of proxy must be dated and executed by the Unitholder or his attorney authorized in writing or, if the Unitholder is a body corporate, under its corporate seal or by a duly authorized officer or attorney thereof. A copy of any such authorization should accompany this form of proxy. Persons signing as executors, administrators, trustees, etc. should so indicate. If this form of proxy is not dated, it will be deemed to bear the date on which it was mailed to the Unitholder by the Fund.
3. In order for this form of proxy to be effective at the Meeting or any adjournment thereof, it must be signed and deposited with the Fund, c/o Computershare Trust Company of Canada, Attention: Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by fax to (toll free) 1-866-249-7775, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the Meeting or any adjournment thereof.